

VZCZCXRO6028
PP RUEHIK
DE RUEHBJ #0294/01 0351153
ZNR UUUUU ZZH
P 041153Z FEB 10
FM AMEMBASSY BEIJING
TO RUEHC/SECSTATE WASHDC PRIORITY 7927
INFO RUEHOO/CHINA POSTS COLLECTIVE
RUEHZL/EUROPEAN POLITICAL COLLECTIVE
RUEHKO/AMEMBASSY TOKYO 0185
RUEHSW/AMEMBASSY BERN 0819
RUEHNO/USMISSION USNATO 0712

UNCLAS SECTION 01 OF 02 BEIJING 000294

SIPDIS

E.O. 12958: N/A

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SUBJECT: FEBRUARY 4, 2010 MFA PRESS BRIEFING: TAIWAN ARMS, IRAN,
EXCHANGE RATE, MUNICH CONFERENCE, GITMO UIGHURS

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1. Key points at the February 4, 2010 MFA press briefing were:

-- The announced sale of arms to Taiwan is a "gross intervention" into China's internal affairs and in complete disregard to China's "stern" opposition.

-- China has taken note of the report regarding Tehran's plans to sell enriched uranium and is in consultation with relevant parties on the fuel supply of Tehran's research reactor.

-- China has improved its "market-based, managed and floating" exchange rate system and will continue to give "full play" to market supply and demand in the formation of its exchange rates. The Renminbi exchange rate has nothing to do with the U.S.'s current trade deficit with China.

-- Foreign Minister Yang Jiechi will attend the upcoming Munich Security Conference. Meetings between U.S. and Chinese delegates are still under consultations.

-- Relations between Switzerland and China will be undermined by Switzerland's announcement that it will take two Uighur detainees from Guantanamo Bay.

U.S. Arms Sales to Taiwan

2. Ministry of Foreign Affairs Spokesman Ma Zhaoxu said that sanctions will "surely" be imposed on U.S. companies involved in the sale of arms to Taiwan. The sale of arms goes against the three joint communiques between the U.S. and China, especially the August 17th communique. Keeping good relations between the two countries is conducive to world peace, in the interest of both countries and their people, and conducive to world peace and stability.

3. When asked if the threat of sanctions now, and not at the announcement of arms sales in 2008, signified a change in attitude to the U.S., Ma replied that he would allow those who are making such comparisons to draw their own conclusions.

4. In response to a question about the impact of the arms sales on China's relations with Taiwan, Ma referred those interested to the Taiwan Affairs Office of the State Council.

Tehran's Plans to Sell Enriched Uranium

5. Ma said that the Chinese government is aware of reports that Tehran has plans to sell enriched uranium and is in consultations with relevant parties, including IAEA, to reach an agreement as soon as possible and settle the issue.

Control of the Exchange Rate

¶16. Spokesman Ma stated that he had not seen statements President Obama recently made about the Renminbi exchange rate, but that the current trade deficit that the U.S. has with China is not related to the value of the RMB. The Chinese government views the exchange rate as a major factor in stabilizing international markets. Ma stated that he hopes that the U.S. will regard the issue in an "objective and fair light," and that "accusations and pressure" will not resolve the issue.

Gao Zhisheng

¶17. Spokesman Ma responded to questions regarding the location of missing lawyer Gao Zhisheng by stating "I don't have the information that you are looking for." When asked if he could speak to the relevant authorities and have an answer by the next press briefing, he said that it "might be possible."

Yang Jiechi to Attend the Munich Security Conference

¶18. According to Ma, the Munich Security Conference will focus on four major points 1) Energy and Transportation Security, 2) Climate Change, 3) Nonproliferation and 4) NATO Development. Ma stated that Foreign Minister Yang Jiechi will attend, and will post relevant statements on the MFA website.

¶19. Asked if China would intensify its relations with NATO at the Munich Security Conference, Ma responded that the two sides have types of contact that will continue in the future.

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Guantanamo Uighurs to Switzerland

¶10. Switzerland's announcement of plans to accept two Uighur brothers currently held at Guantanamo Bay will undermine relations between the two countries, Ma said. China maintains that these two are members of the East Turkestan Islamic Movement, which he called a terrorist group, and that all signatories of the UN Charter must not shelter those who finance, plan or commit terrorist acts. Ma said that China made its position clear to Swiss representatives at the first working group meeting of bilateral free trade negotiations.

Other News

¶11. China currently has at least three laws that govern the censorship of internet content and Google is obligated to comply with those laws.

¶12. The Chinese government is working with Indonesian authorities to rescue a seven member team of mountain climbers stranded at a base camp on Puncak Jaya.

HUNTSMAN